

BINGHAM

UC -10-82

March 19, 2010

DOCKET FILE COPY ORIGINAL

Via Overnight Delivery

Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau Applications
P.O. Box 979091
St. Louis, MO 63197-9000

Re: Joint Application of Matrix Telecom, Inc. and Matrix Telecom of Virginia, Inc. ("Assignees") and Comtel Telcom Assets LP and Comtel Virginia LLC ("Assignors") For Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, to Complete an Assignment of Assets

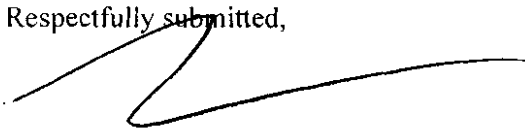
Dear Ms. Dortch:

On behalf of Matrix Telecom, Inc. and Matrix Telecom of Virginia, Inc. ("Assignees") and Comtel Telcom Assets LP and Comtel Virginia LLC ("Assignors" and collectively with Assignees, "Applicants") enclosed please find an original and six (6) copies of an application for approval to complete a transaction for Assignees to acquire customers and assets from Assignors. Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 assignment application and international section 214 assignment application ("Combined Application").

Also enclosed is a completed Fee Remittance Form 159 containing a valid credit card number and expiration date for payment, in the amount of \$1,015.00, to the Federal Communications Commission, which satisfies the filing fee required for this Combined Application under line 2.b of Section 1.1105 of the Commission's Rules. Applicants are simultaneously submitting for filing the Combined Application with the International Bureau through the MyIBFS Filing System.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,


Russell M. Blau
Tamar E. Finn
Jeffrey Strenkowski ✓

Counsel for Applicants

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READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
3047-0589
Page No. 1 of 2

(1) LOCKBOX# 979091		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Bingham McCutchen LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$1,015.00	
(4) STREET ADDRESS LINE NO. 1 c/o Russell M. Blau			
(5) STREET ADDRESS LINE NO. 2 2020 K Street, NW			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20006
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-373-6000		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004353900		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Matrix Telecom, Inc.			
(14) STREET ADDRESS LINE NO. 1 7171 Forest Lane			
(15) STREET ADDRESS LINE NO. 2 Suite 700			
(16) CITY Dallas		(17) STATE TX	(18) ZIP CODE 75230
(19) DAYTIME TELEPHONE NUMBER (include area code) 214-432-1447		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0004333068		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$1,015.00	(27A) TOTAL FEE \$1,015.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
		(29B) FCC CODE 2	

PAID BY CREDIT CARD
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FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE (CONTINUATION SHEET) FORM 159-C		SPECIAL USE FCC USE ONLY
Page No <u>2</u> of <u>2</u>		
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME Comtel Telecom Assets LP		
(14) STREET ADDRESS LINE NO 1 433 E. Las Colinas Boulevard		
(15) STREET ADDRESS LINE NO 2 Suite 1300		
(16) CITY Irving	(17) STATE TX	(18) ZIP CODE 75039
(19) DAYTIME TELEPHONE NUMBER (include area code) 972-910-1900		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0013838701		(22) FCC USE ONLY
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FCC USE ONLY
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(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FCC USE ONLY
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FCC USE ONLY
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(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FCC USE ONLY
(28E) FCC CODE 1		(29E) FCC CODE 2
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FCC USE ONLY
(28F) FCC CODE 1		(29F) FCC CODE 2

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Joint Application of)

Matrix Telecom, Inc.)

Matrix Telecom of Virginia, Inc.)

Assignees,)

and)

Comtel Telecom Assets LP)

Comtel Virginia LLC)

Assignors)

For Grant of Authority Pursuant to)
Section 214 of the Communications Act of 1934,)
as amended, and Sections 63.04, and 63.24 of the)
Commission's Rules to Complete an)
Assignment of Assets of Authorized)
Domestic and International Section 214 Carriers)

WC Docket No. 10-_____

File No. ITC-ASG-2010_____

JOINT APPLICATION

I. INTRODUCTION

A. Summary of Transaction

Matrix Telecom, Inc. ("Matrix"), Matrix Telecom of Virginia, Inc. ("Matrix-VA") (Matrix and Matrix-VA together, "Assignees"), Comtel Telecom Assets LP ("Comtel"), and Comtel Virginia LLC ("Comtel-VA") (Comtel and Comtel-VA together, "Assignors") (Assignees and Assignors together, the "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.24, respectfully request Commission approval to complete a transaction whereby Assignees will acquire substantially all

the customers and telecommunications technology assets, including customer accounts, from Assignors. As a result of the transaction, Assignors' current customers will be transferred to Assignees, which will become the service providers for those customers. As described below, because the rates, terms or conditions of the services being received by customers will not change as a result of the assignment, the proposed transaction will be virtually transparent to customers of Assignors in terms of the services that those customers receive. Since Assignees already hold Section 214 authorizations to provide interstate and international services, Applicants are not assigning the Section 214 authorizations of Assignors to Assignees and Assignors will surrender their Section 214 authorizations upon completion of the transaction.

B. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Assignees (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and Assignees (and their Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

With respect to international authority, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, none of the exclusionary criteria set forth in Section 63.12(c) apply as described

more fully in Section V below. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

In support of this Application, Applicants provide the following information:

II. DESCRIPTION OF THE APPLICANTS

A. Matrix Telecom, Inc. and Matrix Telecom of Virginia, Inc.

Matrix is a corporation organized under the laws of the State of Texas, and Matrix-VA, a wholly owned subsidiary of Matrix, is a corporation organized in the Commonwealth of Virginia. The principal office for both Matrix and Matrix-VA is located at 7171 Forest Lane, Suite 700, Dallas, Texas 75230. Established in 1991, Matrix is a competitive provider of integrated communications services including local, 1+ long distance and toll-free voice services plus a wide range of data services, such as dedicated Internet access, frame relay and point-to-point transmission services, chiefly to enterprise customers. Matrix provides intrastate, interstate and international services throughout the United States, and Matrix-VA provides, either directly or indirectly through Matrix, intrastate, interstate and international long distance services in Virginia. Matrix is authorized to provide facilities-based and/or resold interexchange telecommunications service in all fifty states. Matrix is also authorized to provide competitive local exchange telecommunications services in the District of Columbia and all states except Alaska and Virginia. Matrix-VA is authorized to provide competitive local exchange and interexchange telecommunications services in Virginia. For the Commission's convenience, a current corporate organizational chart for Assignees is provided as Exhibit A.

Since 1999, Matrix has been an indirect wholly owned subsidiary of Platinum Equity LLC ("Platinum"). Platinum is a privately held Delaware limited liability company with offices located at 360 North Crescent Drive, Beverly Hills, California 90210. Platinum is a global firm specializing in the merger, acquisition and operation of companies that provide services and

solutions to customers in a broad range of business markets, including information technology, telecommunications, logistics, manufacturing, and entertainment distribution. Platinum indirectly controls Americatel Corporation (“Americatel”), Covad Communications Company (“Covad Communications”), and DIECA Communications, Inc. (“DIECA”) (Covad and DIECA together d/b/a “Covad”), all telecommunications carriers. Americatel provides international and domestic facilities-based and resold long distance services, including “dial around” casual calling (i.e., 1010XXX) service and presubscribed 1+ calling services, in each of the 48 contiguous states, with a particular emphasis on serving the needs of United States customers with connections to Latin America and the Caribbean. Covad offers DSL, Voice Over IP, T1, Web hosting, managed security, IP and dial-up broadband, wireless broadband, and bundled voice and data services directly through Covad’s network and through Internet Service Providers, value-added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. Platinum does not offer telecommunications services and therefore does not hold any telecommunications authorizations from the FCC or any state regulatory authority.

B. Comtel Telecom Assets LP and Comtel Virginia LLC

Comtel is a limited partnership organized under the laws of the State of Texas, and Comtel-VA is a limited liability company organized in the Commonwealth of Virginia. The principal office for both Assignors is located at 433 Las Colinas Blvd. E., Suite 1300, Irving, TX 75039. Comtel-VA is a wholly owned subsidiary of Comtel, which, in turn, is owned by (1) Comtel Assets Corp. (“Comtel Corp.”)¹ as Comtel’s primary limited partner (85.64% equity

¹ Comtel Corp. is a Delaware corporation. The principal business of Comtel Corp. is corporate holding company. Comtel Corp. is located at the following address: c/o 200 Clarendon Street, 25th Floor, Boston, MA 02116.

interest) and (2) various current and former officers and employees of Assignors as limited partners (collectively, 14.36% equity interest)² (the "Comtel Limited Partners"). The foregoing holdings include ownership of Comtel through Comtel Assets Inc. ("Comtel Inc."),³ Comtel's sole general partner (0.95% equity interest). Comtel Corp. and the Comtel Limited Partners own interests in Comtel Inc. in approximately the same percentages. Comtel Corp. is wholly owned by Denham Commodity Partners Fund III LP ("Denham III")⁴ and Comtel Inc. is majority owned by Denham III.⁵ Denham III's limited partner (99.8% equity interest) is Harvard Private Capital Holdings, Inc. ("HPCH"), a passive institutional investor that is wholly owned by the President and Fellows of Harvard College.⁶ The general partner (0.2% equity interest) of Denham III is Denham Commodity Partners GP III LP ("Denham GP III").⁷ The general partner (1% equity interest) of Denham GP III is Denham GP III LLC,⁸ which is, in turn, wholly owned

² These limited partnership interests are held individually or through trusts or limited liability companies owned by such current and former officers and employees. No current or former officer or employee, however, individually owns or controls a 5% or greater interest in Comtel.

³ Comtel Inc. is a Texas corporation. The principal business of Comtel Inc. is general partner of Comtel. Comtel Inc. is located at the following address: 433 East Las Colinas Boulevard, Irving, TX 75039.

⁴ Denham III is a Delaware limited partnership. The principal business of Denham III is a private equity fund. Denham III is located at: c/o 200 Clarendon Street, 25th Floor, Boston, MA 02116.

⁵ Collectively, various current and former officers of Comtel Assets Inc. own a 12.59% interest in Comtel Assets Inc. individually or through wholly-owned trusts or limited liability companies. No current or former officer, however, individually owns or controls a 10% or greater interest in Comtel Assets Inc.

⁶ HPCH is a Massachusetts corporation. HPCH's principal business is investment company. The address of HPCH is: c/o Harvard Management Company, 600 Atlantic Avenue, Boston, MA 02210.

⁷ Denham GP III is a Delaware limited partnership. The principal business of Denham GP III corporate holding company. Denham GP III is located at: c/o 200 Clarendon Street, 25th Floor, Boston, MA 02116.

⁸ Denham GP III LLC is a Delaware limited liability company. The principal business of

by its managing member, Mr. Stuart Porter, who is a U.S. citizen. The limited partner interests of Denham GP III are owned by Mr. Porter (70% equity interest), Denham GP III Partners LP (24% equity interest), a Delaware limited partnership ("Denham GP III Partners"), and other persons, none of whom have a 10% or greater interest in Denham GP III.⁹ The limited partner interests of Denham GP III Partners are owned by Mr. Porter (53.83% equity interest), Mr. Riaz Siddiqi, a US citizen (10.41%), and other persons, none of whom have a 10% or greater interest in Denham GP III Partners. As a result of these various ownership interests, the majority of the equity of Applicants is ultimately owned by the President & Fellows of Harvard College through the limited partnership interests of Denham III, while ultimate control of Assignors is held by Mr. Stuart Porter through the successive general partners of Denham III. For the Commission's convenience, a current corporate organizational chart for Assignors is provided as Exhibit B.

Comtel completed the acquisition of substantially all of the assets of VarTec Telecom, Inc. and certain of its subsidiaries in June 2006 and continues to operate those assets. Comtel provides intrastate, interstate and international long distance throughout the United States, and Comtel-VA provides, either directly or indirectly through Comtel, intrastate, interstate and international long distance services in Virginia. Comtel is authorized to provide local exchange and exchange access services in every state except Alaska, Hawaii, and Virginia. Comtel-VA is authorized to provide local exchange and exchange access services in Virginia.

III. DESCRIPTION OF THE TRANSACTIONS

Applicants propose to complete a transaction ("Transaction") through which Assignees will acquire certain assets of Assignors, including their customer bases and substantially all of the

Denham GP III LLC is holding company. The address of Denham GP III LLC is: c/o 200 Clarendon Street, 25th Floor, Boston, MA 02116.

⁹ The business address of Mr. Stuart and Mr. Riaz is: c/o 200 Clarendon Street, 25th Floor, Boston, MA 02116.

assets used in Assignors' provision of interstate and international communications services, pursuant to an Asset Purchase Agreement ("Agreement") dated as of March 13, 2010 between Matrix and Comtel. As a result of the proposed Transaction, Assignees will replace Assignors as the service provider in the various states served by Assignors. Specifically, Assignors' acquired assets and customers in Virginia will be transferred to Matrix-VA, and Assignors' acquired assets and customers in all other states will be transferred to Matrix. Subject to receipt of the required regulatory approvals, the Transaction is expected to close in the second quarter of this year (the "Closing Date").

Applicants emphasize that although the proposed Transaction will involve a transfer of customers, immediately following the proposed Transaction, all of those customers will continue to receive service from Matrix under the same rates, terms and conditions as the services currently provided. As a result, the proposed Transaction will be almost seamless and virtually transparent to customers served by Assignors in terms of the services that they currently receive. All of the affected customers will receive notice in compliance with the Commission's Rules.¹⁰ Moreover, because Matrix is acquiring substantially all of the assets of Assignors necessary to provide service to the transferred customers, Matrix will have all of the assets required to continue to provide high-quality services to the customers it acquires.

Assignees are well-qualified to provide service to Assignors' customers. Assignees currently provide local (except Alaska) and long distances telecommunications services in all fifty (50) states and the District of Columbia collectively. Assignee's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise.

¹⁰ Matrix will file the required certificate of compliance under separate cover in Docket No. 00-257.

IV. PUBLIC INTEREST STATEMENT

The proposed Transaction described above will serve the public interest by ensuring that Assignors' customers enjoy continuity of high-quality telecommunications service. In particular, the assignment of Assignors' customers, together with the transfer of other assets required to serve those customers, will ensure that the customers continue to receive uninterrupted interstate and international services. The customers will be served by carriers with significant technical, managerial and financial resources.

Given the increasingly complex and competitive nature of the telecommunications and capital markets and for other business reasons, Applicants seek to complete the proposed Transaction as soon as possible. Accordingly, Applicants respectfully request that the Commission process, consider, and approve this Application as expeditiously as possible.

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

(a) Name, address and telephone number of each Applicant:

Assignees:

Matrix Telecom, Inc.
Matrix Telecom of Virginia, Inc.
7171 Forest Lane
Suite 700
Dallas, Texas 75230
Tel: (214) 432-1447

FRN: 0004333068
FRN: 0019661495

Assignors:

Comtel Telecom Assets LP
Comtel Virginia LLC
433 Las Colinas Blvd. E.
Suite 1300
Irving, TX 75039
(972) 910-1900

FRN: 0013838701

FRN: 0013840350

(b) Jurisdiction of Organizations:

Assignees: Matrix is a Texas corporation.

Matrix-VA is a Virginia corporation.

Assignors: Comtel is a Texas limited partnership.

Comtel-VA is a Virginia limited liability company.

(c) (Answer to Question 10) Correspondence concerning this Application should be

sent to:

For Applicants:

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With copies to:

Scott M. Klopach
General Counsel
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sklopach@matrixbt.com

and:

Jonathan Dennis
Senior Vice President, General
Counsel and Secretary
Comtel Assets Inc., G.P. of
Comtel Telecom Assets LP
d/b/a Excel Telecommunications
433 E. Las Colinas Boulevard
Suite 1300
Irving, Texas 75039
Fax: 866-418-9749
jdennis@excel.com

(d) Section 214 Authorizations

Assignees: Matrix and Matrix-VA hold blanket domestic authority to provide interstate services pursuant to 47 C.F.R. § 63.01. Matrix also holds global facilities-based and resale Section 214 authority to provide international services pursuant to authority granted in FCC File No. ITC-214-19980915-00644. To the extent Matrix-VA provides international services, it does so pursuant to the international Section 214 authority of its parent company, Matrix.

Assignors: Comtel and Comtel-VA hold blanket domestic authority to provide interstate services pursuant to 47 C.F.R. § 63.01. Comtel also holds global resale and facilities-based Section 214 authority to provide international services pursuant to authority granted in FCC File Nos. ITC-214-19900713-00004 (old File No. ITC-90-152),¹¹ ITC-214-19930330-00053 (old File No. ITC-93-145),¹² ITC-214-19970415-00212 (old File No. ITC-97-227).¹³ To the extent Comtel-VA provides international services, it does so pursuant to the authorizations assigned to Comtel. See FCC File Nos. ITC-ASG-2005-0804-00305, ITC-ASG-2005-0804-00306, and ITC-ASG-2005-0804-00307.

¹¹ Comtel acquired this authorization from Excel Telecommunications, Inc. in FCC File No. ITC-ASG-2005-0804-00305. See Report No. TEL-00944, DA No. 05-2416 (rel. Sept. 8, 2005).

¹² Comtel acquired this authorization from VarTec Telecom, Inc. in FCC File No. ITC-ASG-2005-0804-00307. See Report No. TEL-00944, DA No. 05-2416 (rel. Sept. 8, 2005).

¹³ Comtel acquired this authorization from VarTec Solutions, Inc. in FCC File No. ITC-ASG-2005-0804-00306. See Report No. TEL-00944, DA No. 05-2416 (rel. Sept. 8, 2005).

(h) (Answer to Questions 11 & 12) The following entities hold, directly or indirectly a 10% or greater interest¹⁴ in Applicants as calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:¹⁵

Ownership of Assignees

- 1) The following entity holds a 100% direct interest in Matrix-VA:

Name:	Matrix Telecom, Inc.
Address:	7171 Forest Lane, Suite 700 Dallas, Texas 75230
Citizenship:	U.S.
Principal Business:	Telecommunications Service Provider
Interest:	100% Voting and Equity of Matrix-VA

- 2) The following entities hold a 10% or greater, direct or indirect, interest in Matrix:

Name:	MTAC Holding Corporation ("MTAC")
Address:	360 North Crescent Drive, South Building Beverly Hills, CA 90210
Citizenship:	U.S.
Principal Business:	Holding Company
Interest:	100% Voting and Equity of Matrix

Name:	EnergyTRACS Acquisition Corp. ("EnergyTRACS")
Address:	360 North Crescent Drive, South Building Beverly Hills, CA 90210
Citizenship:	U.S.
Principal Business:	Holding Company
Interest:	100% Voting and Equity of MTAC

Name:	Platinum Equity, LLC
Address:	360 North Crescent Drive, South Building Beverly Hills, CA 90210
Citizenship:	U.S.
Principal Business:	Investing

¹⁴ Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

¹⁵ While the Commission's rules for combined domestic and international applications require this information only for the assignee/transferee, *see* 47 C.F.R. §§ 63.04(b), 63.24(3)(2), Applicants are providing ownership information for both parties.

Interest: 100% Voting and Equity of EnergyTRACS

The following individual ultimately owns or controls 100 percent of the membership units (equity and voting interest) in Platinum Equity, LLC:

Name: Tom T. Gores
Address: 360 North Crescent Drive, South Building
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Individual

Matrix and Matrix-VA do not have any interlocking directorates except with their foreign-carrier affiliates described below. The interlocking officers and directors are:

Eva M. Kalawski (Director, Vice President and Secretary)
Charles G. Taylor Jr. (President and CEO)
Robert J. Joubran (Vice President and Treasurer)
Laurie Rodriguez (Vice President and CFO)
Mary Ann Sigler (Vice President)
Stephen T. Zollo (Vice President)
Sally A. Ward (Assistant Secretary)
Dawn Walloch (Assistant Treasurer)

Ownership of Assignors

The ownership of Assignors was provided in Section II(B), above. Comtel and Comtel-VA do not have any interlocking directorates with a foreign carrier.

(i) **(Answer to Question 14)** Assignees are not foreign carriers. Assignees are affiliated with the following foreign carriers:

Americatel Corporation ("Americatel") is an American company that holds a Class B License in Canada. Vancouver Telephone Company Limited ("Vancouver") is a subsidiary of Americatel Corporation, and holds a Class A License in Canada.

(j) **(Answer to Question 15)** Assignees certify that, through their acquisition of the assets of Assignors, Assignees do not seek to provide international telecommunications services to any destination country where:

- (1) Assignees are a foreign carrier in that country; or
- (2) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Assignees and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

However, Assignees certify that they are affiliated with two foreign carriers, Americatel and Vancouver. Americatel and Vancouver provide telecommunications services in Canada.

(k) Assignees certify that Canada, the country referenced in paragraph (j) above, is a Member of the World Trade Organization (“WTO”). Americatel and Vancouver, the foreign carriers listed in paragraph (j), are not on the Commission’s List of Foreign Telecommunications Carriers that are presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, Americatel and Vancouver, the foreign carriers listed in paragraph (j), offer services in competition with dominant foreign carriers and others.

(l) Assignees may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where they have a foreign carrier affiliation. As demonstrated above and because Americatel and Vancouver lack 50 percent market share in the international transport and the local access markets on the foreign end of the route, Assignees should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission’s rules, 47 C.F.R. § 63.10(a)(3).

(m) Assignees qualify for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission’s rules, 47 C.F.R. § 63.10(a)(1,3), because they are not foreign carriers and, as demonstrated above in paragraph (k), their affiliation is with non-dominant foreign carriers in a country that is a Member of the WTO.

(n) Assignees certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the

foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

(o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.

(p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are or are affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

VI. INFORMATION REQUIRED BY SECTION 63.04

In lieu of an attachment, pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b) Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12), 47 C.F.R. § 63.04(a)(6)-(12):

(a)(6) A description of the proposed Transaction is set forth in **Section III** above.

(a)(7) The Applicants and their affiliates offer domestic telecommunications services in the United States as follows:

(i) Assignors (Comtel and Comtel-VA, jointly) provide domestic telecommunications services in all fifty (50) states and the District of Columbia. Assignors provide local exchange and exchange access services in the District of Columbia and every state except Alaska, Connecticut, Hawaii and Rhode Island.¹⁶

¹⁶ While Assignors do not currently provide local exchange and exchange access services in

(ii) Assignees (Matrix and Matrix-VA, jointly) offer domestic (local and/or long distance) telecommunications services in all fifty (50) states and the District of Columbia. Assignees are competitive providers of integrated communications services including local, 1+ long distance and toll-free voice services plus a wide range of data services, such as dedicated Internet access, frame relay and point-to-point transmission services, chiefly to enterprise customers.

(ii) As stated above, the Assignees are indirectly affiliated through their common ultimate owner with Americatel Corporation, Covad Communications Company, and DIECA Communications, Inc.. Americatel Corporation offers telecommunications service in all fifty (50) states and the District of Columbia, except Alaska. Americatel provides international and domestic facilities-based and resold long distance services, including “dial around” casual calling (i.e., 1010XXX) service and presubscribed 1+ calling services.

Together, Covad Communications Company and DIECA Communications, Inc. offer telecommunications service in the following jurisdictions: Alabama, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

(a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission’s Rules, 47 C.F.R. §63.03. In particular,

Connecticut and Rhode Island, Assignors are authorized to provide such services in those states.

this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Assignees (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Assignees (and their Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

(a)(9) By this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). No other applications are being filed with the Commission with respect to this transaction.

(a)(10) Prompt completion of the proposed transaction is critical to ensure that Applicants can obtain the benefits described in the foregoing application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transaction as soon as possible. No party, however, is requesting special consideration because it is facing imminent business failure.

(a)(11) Not applicable.

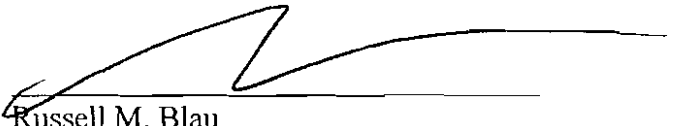
(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV** above.

VI. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Indeed, failure to grant it would directly harm the public interest. In light of the particular need to ensure

continuity of service to existing customers, Applicants respectfully request expedited treatment to permit Applicants to complete the Transactions as soon as possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Russell M. Blau', is written over a horizontal line.

Russell M. Blau
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Jeffrey R. Strenkowski ✓
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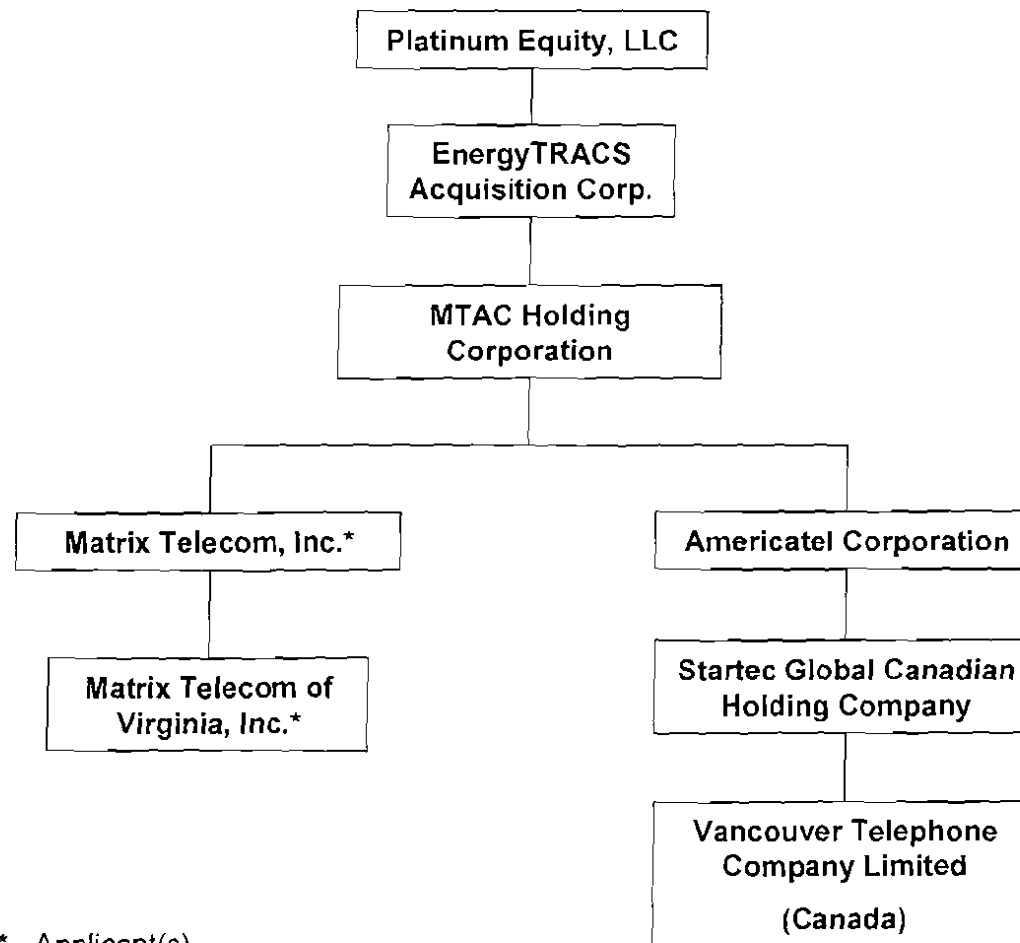
Counsel to Applicants

Dated: March 19, 2010

EXHIBIT A

Current Corporate Organizational Structure of Assignees

Assignees' Corporate Structure

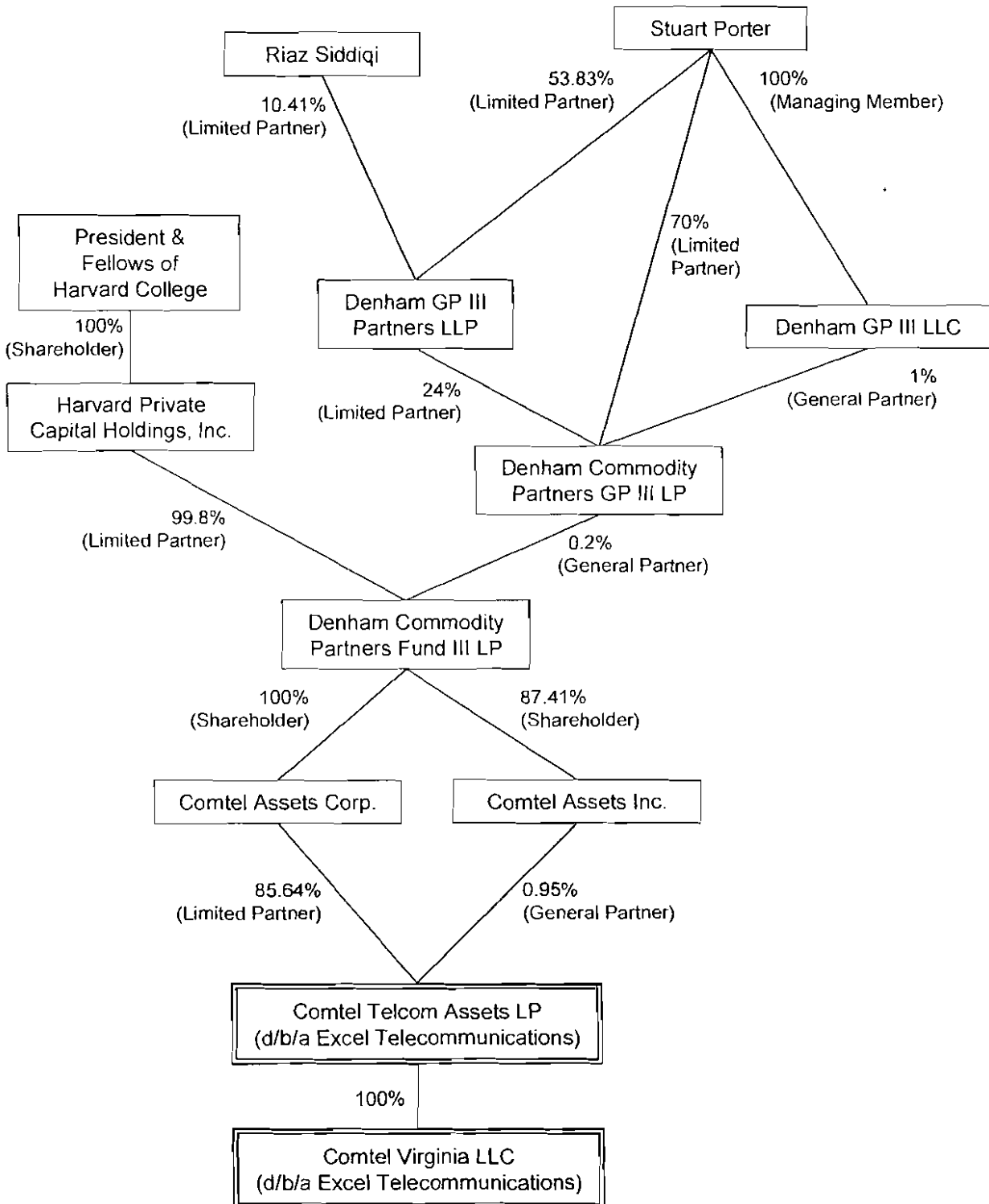


* - Applicant(s)

EXHIBIT B

Current Corporate Organizational Structure of Assignors

Current Corporate Structure of Assignors

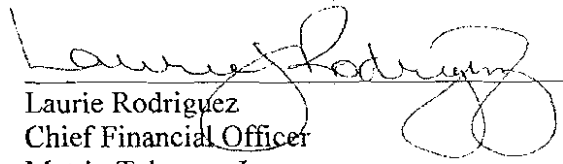


VERIFICATIONS

VERIFICATION

I, Laurie Rodriguez, state that I am Chief Financial Officer of Matrix Telecom, Inc. ("Matrix"), a party to the foregoing filing; that I am authorized to make this Verification on behalf of Matrix and Matrix Telecom of Virginia, Inc., ("Matrix-VA"); that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document with respect to Matrix and Matrix-VA are true and correct to the best of my knowledge, information, and belief.

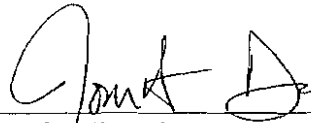
I declare under penalty of perjury that the foregoing is true and correct. Executed this 1st day of March, 2010.


Laurie Rodriguez
Chief Financial Officer
Matrix Telecom, Inc.

VERIFICATION

STATE OF TEXAS :
:
: SS.
COUNTY OF DALLAS :

I, Jonathan Dennis, state that I am Senior Vice President, General Counsel, and Secretary of Comtel Assets Inc., sole general partner of Comtel Telcom Assets LP ("Comtel"), a party to the foregoing filing; that I am authorized to make this Verification on behalf of Comtel; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document with respect to Comtel are true and correct to the best of my knowledge, information, and belief.



Jonathan Dennis
Senior Vice President, General Counsel, and
Secretary
Comtel Assets Inc., General Partner of
Comtel Telcom Assets LP

Sworn and subscribed before me this 18 day of March, 2010.



Notary Public

My commission expires: 7/25/2012

